May 22, 1998

To: AVP's
AE's
RSM's
KAM's

In April, we began a massive effort to mobilize our customer-base to oppose new taxes on tobacco. As part of that effort, we sent a "Call to Action Packet" to our Top 200 Customers with the expectation that each of you would contact your respective accounts to insure they received the packet. In addition, we hope you helped them understand the seriousness of the situation as well as provided assistance in mobilizing their organization in opposition to the proposed tax increase. Our charge has been, and continues to be, to do everything we can to stop the McCain Bill or any increase in the Federal Excise Tax (FET) on cigarettes.

Our most recent concern is the attached letter sent to Senator McCain from the National Association of Convenience Stores (NACS) Government Relations Vice President Marc Katz. In the letter Mr. Katz indicates he obtained changes to the Senate Commerce Tobacco Bill that would:

- Prevent "adult only" outlets from having a competitive advantage with point-of-sale advertising and display.

- Prevent a ban on specific categories of outlets (e.g., Convenience Stores).

In reality, Senator McCain agreed to these changes as part of the FDA rules - not the statutory language of the bill. In other words, the FDA can change their mind at any time. It appears as though none of these changes will be made part of the law. In addition, the bill still contains a half a trillion dollar tax increase as well as provisions that will have a devastating effect on the retail industry. These changes are minor compared to the other significant requirements of the bill including licensing requirements and advertising restrictions. It is important that we contact our Top 50 customers and the NACS Board of Directors to reinforce our position on the proposed FET and as well as confirm the following:

- As a member of NACS, are you aware of the letter from Marc Katz and are you in agreement with the position he has stated (see attached)? If after reading they have not seen the letter, provide a copy.

- After reading the NACS letter, is the account in favor of NACS's position/McCain bill?

51850 0166

Source: https://www.industrydocuments.ucsf.edu/docs/kfdy0000

- If not, would the account be willing to contact the president of NACS and/or the members of the Board of Directors (see attached) and express opposition to their support of the McCain bill?

Please see the attached sheet to record the accounts' responses and include any NACS Board Member responses. These sheets/calls need to be completed by May 27. When completed, please return the information to Wayne Tucker. In addition, there are attached retailer-related bullet point to assist you in reinforcing our position in opposition to McCain or other increases in the FET.

Jim Maguire

Attachments

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CHAIRMAN OF THE BOARD
*Robert G. Gordon
The Store 24 Companies, Inc.
President/CEO
184 Riverivew Avenue
Waltham, MA 02154
(781) 891-8880 ext. 200
FAX (781) 647-0320
(79 Stores) - Term Expires 1998

VICE CHAIRMAN, TREASURER
*Davis M. Rembert
Sprint Food Stores
Division United Fuels Corp.
Chairman & CEO
P. O. Box 5849
Gainesville, FL 32627-5849
(352) 378-5333 ext. 3003
FAX (352) 373-1628
(10 Stores) - Term Expires 1996

VICE CHAIRMAN, RESEARCH DEVELOPMENT
*Dean C. Durling
Quick Chek Food Stores, Inc.
Vice Chairman
3 Old Highway
P. O. Box 600
Whitehouse Station, NJ 08889
(908) 534-7142
FAX (908) 534-9216
(98 Stores) - Term Expires 1999

VICE CHAIRMAN, INDUSTRY RELATIONS
*Charles Markham
Uni-Marts, Inc.
Consultant
477 East Beaver Ave.
State College, PA 16801-5690
(814) 234-6000
FAX (814) 234-3277
(405 Stores) - Term Expires 1998

VICE CHAIRMAN, GOVERNMENT RELATIONS
*Carl Boch, Jr.
Racetrac Petroleum, Inc.
Chief Executive Officer
P. O. Box Box 105035
Atlanta, GA 30348
(770) 431-7600
FAX (770) 433-2269
(387 Stores) - Term Expires 1998

NACS PAST CHAIRMAN
*John J. Hansen
Kwik Trip, Inc.
President & CEO
1626 Oak Street
P. O. Box 2107
La Crosse, WI 54602-2107
(608) 781-8989
FAX (608) 781-8950
(255 Stores) - Term Expires 1998

NACS PAST CHAIRMAN
*Fred M. Higgins
Minit Mart Foods, Inc.
CEO and Chairman of the Board
P. O. Box 90011
958 Collett Avenue
Bowling Green, KY 42102-9011
(502) 781-3378 ext. 246
FAX (502) 781-3388
(106 Stores) - Term Expires 1998

NACS PAST CHAIRMAN
*Albert C. "Woody" Woodroof, III
Spectrum Stores, Inc.
President
P. O. Box 272
824 Third Avenue
West Point, GA 31833
(706) 645-2275
FAX (706) 645-3446
(47 Stores) - Term Expires 1998

NACS PAST CHAIRMAN
*Jim E. Yates
E-Z Mart Stores, Inc.
Chairman of the Board
602 West Falvey
P. O. Box 1426
Texarkana, TX 75504-1426
(903) 832-6502 ext. 201
FAX (903) 838-6825
(364 Stores) - Term Expires 1998

Daniel Abraham
Garb-Ko, Inc.
Chairman/CEO
3925 Fortune Blvd.
P. O. Box 5947
Saginaw, MI 48603-0947
(517) 799-6937 ext. 111
FAX (517) 799-9206
(143 Stores) - Term Expires 1999

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Henry O. Armour
West Star Corporation
President
P. O. Box 2527
Olympia, WA 98507
(360) 754-9595 ext. 360
FAX (360) 786-9524
(20 Stores) - Term Expires 1998

Richard T. Crawford
Green Valley Grocery
President
3915 W. Twain
las Vegas, NV 89103
(702) 367-0056
FAX (702) 367-9838
(15 Stores) - Term Expires 1998

Bill Douglass
Douglass Distributing Company
CEO
P. O. Box 1124
325 East Forest Avenue
Sherman, TX 75090
(903) 893-1181
FAX (903) 892-8783
(8 Stores) - Term Expires 1999

Jorge Alberto Estenssoro
Servired YPF S.A.
Lima 339, piso 10
Buenos Aires, Argentina 1073
011-54-1-329-5736
FAX 011-54-1-329-5736
(25 Stores) - Term Expires 1998

William "Chris" Girard
Plaid Pantries, Inc.
President/CEO
10025 S.W. Allen Blvd.
Beaverton, OR 97005
(503) 526-8300
FAX (503) 646-3071
(105 Stores) - Term Expires 1998

James Lawrence Hunt
Lawrence Hunt & Co. Ltd.
Managing Director
408 Liverpool Road
Penwortham, Preston
U.K. PR1 0DQ
011 44 1772 747465
FAX 011 44 1772 749624
(22 Stores) - Term Expires 1998

Arnold Kimmel
Quickie Convenience Stores
CEO
2520 St. Laurent Blvd.
Ottawa, Ontario
Canada K1H 1B1
(613) 736-7962
FAX (613) 736-7970
(42 Stores) - Term Expires 1998

W. A. (Bill) Krause
Krause Gentle Corporation
President
4201 Estown Parkway
Suite 220
W. Des Moines, IA 50266
(515) 226-0128
FAX (515) 226-0995
(139 Stores) - Term Expires 1998

Donald F. Lamberti
Casey's General Stores, Inc.
CEO
P. O. Box 3001
One Convenience Blvd.
Ankeny, IA 50021-8045
(515) 965-6103
FAX (515) 965-6160
(990 Stores) - Term Expires 1998

John Lattauzio
J & J Mini-Markets
President
1306 Indian Wells Road
Alamogordo, NM 88310
(505) 434-1100
FAX (505) 434-6286
(6 Stores) - Term Expires 1998

John M. MacDougall
Nice N Easy Grocery Shoppes, Inc.
President
RD 3 - Oxbow Rd.
Canastota, NY 13032
(315) 697-2287
FAX (315) 697-9858
(89 Stores) - Term Expires 1999

Ron McClung
Ronaco, Inc.
President/CEO
1720 S. 272nd
Des Moines, WA 98198
(206) 839-8275
FAX (206) 839-8408
(10 Stores) - Term Expires 1999

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Stanley M. Martin
Quality Dairy Co.
President
111 W. Mt. Hope Ave.
Lansing, MI 48910
(517) 371-4955
FAX (517) 484-6747
(30 Stores) - Term Expires 1998

Gus Olympidis
Family Express Corporation
President/CEO
1951 Morthland Drive
Valparaiso, IN 46383
(219) 462-0144
FAX (219) 477-5499
(23 Stores) - Term Expires 1998

Jack C. Pester
Coastal Mart, Inc.
Chairman & CEO
9 Greenway Plaza
Houston, TX 77046
(713) 877-1400
FAX (713) 297-1130
(600 Stores) - Term Expires 1999

John F. Pettus
SuperAmerica Group
President
P. O. Box 14000
Lexington, KY 40512
(606) 357-2076
FAX (606) 357-2063
(625 Stores) - Term Expires 1998

Stanton Sheetz
Sheetz, Inc.
President
5700 6th Avenue
Altoona, PA 16602
(814) 941-5148
FAX (814) 946-4375
(184 Stores) - Term Expires 1998

Tom Severson
Severson Oil Company
President
265 E Mart Street, Box 736
Winona, MN 55987
(507) 452-4743
FAX (507) 452-2575
(6 Stores) - Term Expires 1999

Duncan Thomas
Q-Markets, Inc.
President/CEO
6719 Janway Road
Richmond, VA 23228
(804) 262-4749
FAX (804) 262-4851
(7 Stores) - Term Expires 1999

Stephen D. Visocan
Pop Inn
President
P. O. Box 5564
Helena, MT 59604
(406) 442-7202
FAX (406) 442-1167
(7 Stores) - Term Expires 1999

Russell M. Wallace
Country Cupboard Food
President
40 Hightower Parkway
Dawsonville, GA 30534
(706) 216-3261
FAX (706) 216-4263
(64 Stores) - Term Expires 1998

* Member, Executive Committee for Association Administration

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KEY CUSTOMERS

Account	Date Contacted	RJR Mgr. Name	Account Seen Letter		Letter/info Provided		Acct Position on McCain Bill/NACS Ltr		Action taken on NACS Letter
			Yes	No	Yes	No	For	Against	
H. T. Hackney									
Eby-Brown									
Core Mark									
Emro Marketing									
Food Lion									
RaceTrac Petroleum									
Clark Oil									
SuperAmerica Group									
Sheetz									
Casey's General Store									
BP Oil									
J. T. Davenport & Sons									
S. Abraham & Sons									
GSC Enterprises									
Miller & Hartman									
McLane Co./Wal Mart									
Pantry									
Costco									
ARCO									
Cumberland Farms									
Circle K									
Southland									
Albertson's									
F. A. Davis									

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Account	Date Contacted	RJR Mgr. Name	Account Seen Letter		Letter/info Provided		Acct Position on McCain Bill/NACS Ltr		Action taken on NACS Letter
			Yes	No	Yes	No	For	Against	
WaWa/Red Roof									
Quiktrip Corp									
Ultramar Diamond Shamrock									
Phillips 66									
Kwik Trip									
Mobil PBD-USA									
Sun Company, Inc.									
Mapco Petroleum									
Amerada Hess Corp.	5/22	G.N. Kurle Jr	✓		✓			✓	WILL WRITE LETTER TO NACS
Total Petroleum, Inc.									
Dairy Mart Corp.									
AMOCO Oil									
Coastal Mart, Inc.									
E-Z Serve Corp.									
Star Enterprises									
Wareco Oil Company									
Pilot Oil									
Chevron USA									
Exxon Company, USA									
Thornton Oil									
Uni-Marts, Inc.									
Merit Oil Corp.									
USA Petroleum									
E-Z Mart									
Village Pantry									
Wilco Food Mart									

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TRANSMIT CONFIRMATION REPORT

NO.	:	016
RECEIVER	:	13367414684
TRANSMITTER	:	R.J.REYNOLDS TOB 12
DATE	:	MAY 27'98 11:11
DURATION	:	01'14
MODE	:	STD
PAGES	:	02
RESULT	:	OK

Source: https://www.industrydocuments.ucsf.edu/docs/kfdy0000

Account	Date Contacted	RJR Mgr. Name	Account Seen Letter Yes	Account Seen Letter No	Letter/info Provided Yes	Letter/info Provided No	Acct Position on McCain Bill/NACS Ltr For	Acct Position on McCain Bill/NACS Ltr Against	Action taken on NACS Letter
WaWa/Red Roof									
Quiktrip Corp									
Ultramar Diamond Shamrock									
Phillips 66									
Kwik Trip									
Mobil PBD-USA									
Sun Company, Inc.									
Mapco Petroleum									
Amerada Hess Corp.	3/27	G.N. Kuruc Jr	✓		✓			✓	WILL WRITE LETTER TO NACS
Total Petroleum, Inc.									
Dairy Mart Corp.									
AMOCO Oil									
Coastal Mart, Inc.									
E-Z Serve Corp.									
Star Enterprises									
Wareco Oil Company									
Pilot Oil									
Chevron USA									
Exxon Company, USA									
Thornton Oil									
Uni-Marts, Inc.									
Merit Oil Corp.									
USA Petroleum									
E-Z Mart									
Village Pantry									
Wilco Food Mart									

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